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Jess Cooper
Executive Vice President
and General Manager

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RSPA-98-4868-43

June 28, 1988

Mr. Richard L. Beam
Director
Office of Pipeline Safety
Research and Special Programs Administration
U.S. Department of Transportation
400 Seventh Street, S.W.
Washington, DC 20590

Dear Mr. Beam

I am writing to you about an issue of continuing concern to our membership: the Department of Transportation's proposed redefinition of gas gathering lines. RMDGA is a trade association representing hundreds of members who account for more than 90% of the oil and gas exploration, production and transportation activities in the Rocky Mountain West. The Department's proposed redefinition of gas gathering lines would have a significant, adverse effect on the oil and gas industry in the West.

We contacted your office last fall to register our concern with the proposed redefinition and to endorse the American Petroleum Institute's (API) proposed facility definitions for gas pipeline safety standards. We have not received a response to date. Our review of a recent draft Notice of Proposed Rulemaking setting forth DOT's recommendation for redefinition and reclassification of production and pipeline facilities indicates that serious problems still exist. We are most disturbed that the draft proposed rule does not appear to even address the concerns raised by API and others about the impact of the OPS definitions and their failure to consider the functional purposes of the lines within the definition's scope. In this regard, the proposal totally ignores extensive Industry testimony in support of API's recommended definitions.

We believe the proposed OPS definition of gathering lines is fundamentally flawed. OPS, in its new definition, disregards the clear fact that in gas operations line size and line pressure are unrelated to the purpose and function of the line. In liquid operations, where fluid compressibility is limited, there was some justification for definition of pipeline function in terms of line size. For gas operations, the relationship is non-existent.

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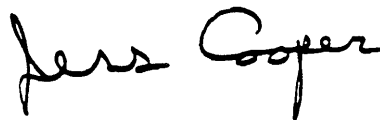
API's definitions are designed to accomplish the Department's safety objectives while reflecting actual Industry practices and Congressional intent. Contrary to the apparent opinion of the drafter of this proposal, we believe that the functional definitions recommended by API are workable and interpretable. Simplicity of administration is insufficient justification for an inadequate definition.

The indiscriminate reclassification of gathering lines as a result of the adoption of the OPS proposal would constitute a massive overkill. It is our opinion that the Department has not justified the hundreds of millions of dollars in compliance costs from the standpoint of increased safety. Recognizing that the underlying safety concerns are clearly justified in highly populated areas, it is important to note that the vast majority of gathering lines in the Rocky Mountain states are not located in such areas. Through their redefinition proposals, OPS would reclassify many thousands of miles of gathering lines in remote, unpopulated, rural areas. The benefits which would accrue to public safety are minimal or nonexistent in these areas. We believe the cost/benefit ratio of the definitions is therefore not defensible.

We urge the Department to reconsider its proposed redefinitions from the standpoint of their monumental impact on remote western operations. We encourage the adoption of functional definitions that reflect actual industry practices and result in some tangible benefit to public safety. We also request a response to this letter and to our concerns as stated herein.

I look forward to hearing from you at your earliest convenience.

Sincerely,

A handwritten signature in cursive script, appearing to read "Pers Cooper".

AFB:cw